

## Message Text

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PAGE 01 THE HA 01751 080635Z

21

ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 PM-03 H-02 INR-07 L-02 NSAE-00

NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06 COME-00

TRSE-00 EB-07 OMB-01 ACDA-05 AID-05 MC-02 CIEP-01

SAJ-01 /079 W

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P 071632Z APR 75

FM AMEMBASSY THE HAGUE

TO SECSTATE WASHDC PRIORITY 5624

INFO SECDEF

AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY OSLO

USMISSION NATO

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E.O. 11652: N/A

TAGS: MASS, NL

SUBJ: REPLACEMENT FOR F-104

REF: SAF 051920Z APR 75

1. DE VOLKSKRANT, INDEPENDENT LEFT-WING DAILY, RAN STORY ON APRIL 5 TITLED "PRICE OF F-16 INCREASES BY MILLIONS." ARTICLE BASED ON STORY IN US TRADE PAPER "AEROSPACE DAILY" IN ISSUE OF APRIL 4. ACCORDING TO ARTICLE, COST OF F-16 WAS ALREADY 2.5 MILLION GUILDERS (APPROXIMATELY \$1 MILLION) PER AIRCRAFT MORE THAN ORIGINALLY ESTIMATED. INCREASES CAUSED BY DESIGN CHANGES, .E. LENGTHENING NOSE AND AND STRENGTHENING WINGS AND TAIL SECTIONS, AND FACT ELECTRONIC EQUIPMENT WILL BE FAR MORE EXPENSIVE THAN ANTICIPATED.

2. DE VOLKSKRANT REPORTS US AIR FORCE IS MAKING  
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PAGE 02 THE HA 01751 080635Z

STRENUOUS EFFORT TO KEEP PRICE FROM RISING FURTHER.

REDUCTION OF NUMBER OF PROTOTYPES FROM 15 TO 12 IS  
GIVEN AS EXAMPLE OF COST-CUTTING EFFORT.

3. SECRETARY OF AIR FORCE MCLUCAS IS ALLEGED TO  
HAVE ATTEMPTED TO KEEP THESE PRICE PROBLEMS FROM BECOMING  
PUBLIC KNOWLEDTE UNTIL AFTER EUROPEAN CONSORTIUM HAD  
MADE ITS DECISION. US AIR FORCE IS ALSO REPUTED TO BE  
CONCERNED AS TO WHAT EFFECT RUMORS OF COST INCREASES  
WOULD HAVE ON US CONGRESS. PAPER POINTS OUT CONGRESS  
STILL HAS TO APPROVE PURCHASE OF 650 F-16'S WHICH US  
AIR FORCE HAS REQUESTED. ARTICLE NOTED US AIR FORCE  
WOULD BE IN VERY DIFFICULT POSITION IF ACTUAL PRICE  
WERE TO EXCEED "NOT TO EXCEED PRICE" OFFERED TO  
CONSORTIUM. US CONGRESS WOULD BE VERY RELUCTANT  
AUTHORIZE PAYMENT PER AIRCRAFT THAT WAS MORE THAN THAT  
BEING MADE BY CONSORTIUM MEMBERS. SIMILAR STORY CARRIED  
IN SEVERAL OTHER PAPERS ON MONDAY.

4. VOLKSKRANT ARTICLE IS GRIST FOR MILLS OF LABOR  
PARLIAMENTARIANS SUCH AS DANKERT, DE VRIES AND  
TER BEEK WHO ARE AGAINST THE PURCHASE OF THE F-16 BY  
THE NETHERLANDS. ALL THREE GAVE INTERVIEWS OVER THE  
WEEKEND ATTACKING DEFENSE MINISTER VREDELING AND HIS  
RECOMMENDATION THAT THE F-16 SHOULD BE SELECTED AS THE  
F-104 SUCCESSOR. ALL GAVE F-16'S COST AS ONE OF  
REASONS FOR NOT SELECTING F-16.

5. MOD INFORMATION DIRECTOR SLIGHTING TOLD DCM TODAY  
THAT ASSURANCES FROM ASSISTANT SECRETARY SHRONTZ  
(REFTEL) RE NO PRICE INCREASES WERE MOST HELPFUL AND  
WOULD ENABLE MOD TO SET PUBLIC RECORD STRAIGHT. IN  
ADDITION, DUTCH AIR FORCE SOURCES EMPHATICALLY STATE  
THAT THE PERSONAL ASSURANCE FROM THE ASSISTANT SECRETARY  
WILL ENABLE THEM TO HANDLE ANY QUESTIONS WHICH MAY ARISE  
DUE TO VOLKSKRANT ARTICLE. HOWEVER, THE VOLKSKRANT  
STORY HAS CERTAINLY ADDED MORE OIL TO A HOT  
FIRE AND MADE IT MORE CERTAIN THAT THE F-16'S  
POTENTIAL SELECTION FOR THE DUTCH AIR FORCE WILL BE ONE  
OF THE PRINCIPAL QUESTIONS OF CONTROVERSY AT THE  
LABOR PARTY CONGRESS WHICH BEGINS APRIL 10.  
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PAGE 03 THE HA 01751 080635Z

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** FIGHTER AIRCRAFT, GOVERNMENT PROCUREMENT, PRESS COMMENTS, PRICES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 07 APR 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** MartinML  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** UPGRADED PER MEMO P830056-1261  
**Executive Order:** R1 19880721 MCMANAWAY, C E  
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